

Message Text

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ACTION EB-07

INFO OCT-01 EUR-12 EA-07 ISO-00 SP-02 AID-05 NSC-05

CIEP-01 TRSE-00 SS-15 STR-04 OMB-01 CEA-01 ITC-01 L-03

H-02 CIAE-00 DODE-00 NSAE-00 NSCE-00 SSO-00 USIE-00

INRE-00 COME-00 FRB-03 INR-07 XMB-02 OPIC-03 LAB-04

SIL-01 PA-01 PRS-01 /089 W

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O R 171123Z MAR 76

FM AMEMBASSY LONDON

TO SECSTATE WASHDC IMMEDIATE 9911

INFO AMEMBASSY BONN

AMEMBASSY PARIS

AMEMBASSY ROME

AMEMBASSY TOKYO

LIMITED OFFICIAL USE SECTION 01 OF 02 LONDON 04144

DEPARTMENT PASS TREASURY FOR PELIKAN AND EXIMBANK MINIKES

E.O. 11652: N/A

TAGS: EFIN, UK ETRD

SUBJECT: INTERNATIONAL NEGOTIATIONS ON EXPORT CREDITS

1. FOLLOWING IS REVISED TEXT DATED MARCH 15 OF PART I
AND PART IV ONLY OF FRENCH DOCUMENT WHICH REMOND ASKED
CANNER TO BRING BACK TO WASHINGTON.

CONSENSUS

ON OFFICIALLY SUPPORTED EXPORT FINANCING
FOR CIVIL GOODS AND SERVICES

I. SUBSTANCE: "GUIDE LINES" EXCEEDED ONLY AFTER "ADVANCE
NOTICE AND POSSIBILITY OF EXCHANGE OF VIEWS":

A) OFFICIALLY SUPPORTED EXPORT CREDIT OR LEASING "GUIDE-
LINES" PERCENTAGE

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MINIMUM NET INTEREST RATE

- LONG TERM CREDITS (MORE
THAN 5 YEARS) 8 7.75 7.50
- MEDIUM TERM CREDIT
(FROM 2 UP TO 5 YEARS) 7.75 7.25 7.25
MAXIMUM LENGTH OF CREDIT 5 - 8 1/2 8 1/2 10 YEARS
(SEE NOTE BELOW)
("ADVANCE NOTICE"
WHEN REPAYMENT
TERMS EXCEED 5

YEARS)
MINIMUM PERCENTAGE OF DOWN
PAYMENTS
SECTORAL CONDITIONS OR
"GUIDE LINES"
A. EXISTING OECD SECTORAL AGREEMENTS (SHIPS; GROUND
SATELLITE STATIONS)
- FOR PARTIES TO THESE SECTORAL AGREEMENTS: APPLICATION
OF THE CONDITIONS DEFINED BY THE EXISTING AGREEMENTS
AND OF THE ABOVE MENTIONED "GUIDE LINES" AS TO AREAS
NOT COVERED BY THOSE AGREEMENTS.
- FOR NON PARTIES: APPLICATION OF ALL ABOVE MENTIONED
"GUIDE LINES".
B. AIRCRAFTS AND HELICOPTERS; NUCLEAR POWER PLANTS:
EXCLUDED FROM THIS FRAME WORK (MAINLY DUE TO THE EX-
ISTENCE OF "STAND STILL" DECLARATIONS).
C. AGRICULTURAL COMMODITIES: EXCLUDED.
B. TIED AID CREDITS
- THESE "GUIDE LINES" DO NOT APPLY TO TIED AID CREDITS
WITH A GRANT ELEMENT OF 25 PERCENT OR MORE AS DEFINED BY
THE OECD/DAC.
- ON ANY OTHER TIED AID CREDIT, INFORMATION WILL BE GIVEN:
. BY PROMPT "EX POST NOTICE": IF THE GRANT ELEMENT
IS BETWEEN 25 PERCENT AND 15 PERCENT;
. BY "ADVANCE NOTICE": IF THE GRANT ELEMENT IS LOWER
THAN 15 PERCENT.
NOTE: AS FAR AS STEEL PLANTS AND CONVENTIONAL POWER

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CIEP-01 LAB-04 SIL-01 OMB-01 NSC-05 SS-15 STR-04

CEA-01 L-03 H-02 DODE-00 PA-01 PRS-01 NSCE-00 SSO-00

USIE-00 INRE-00 ITC-01 /089 W
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PLANTS ARE CONCERNED: "ADVANCE NOTICE" ONLY ON ABOVE
MENTIONED MAXIMUM LENGTH OF CREDIT WILL BE EXCEEDED
(WITHOUT NEVERTHELESS EXCEEDING MAXIMUM PRESENT PRACTICE
OF US EXIMBANK OF 12 YEARS). END I.

IV. IMPLEMENTATION

1. THIS CONSENSUS WILL BE PUT IN FORCE BY THE
AUTHORITIES OF EACH COUNTRY ON UNILATERAL AND REVOCABLE
BASIS; IT IS NOT AN "AGREEMENT" IN THE SENSE OF THE IN-
TERNATIONAL LAW; IN ANY CASE, THE NON EEC COUNTRIES REC-
OGNIZE THAT THE NEED OF CONCLUDING SUCH AN "AGREEMENT"
DOES NOT EXIST.

2. INTERESTED COUNTRIES:

A) "MAINLY INTERESTED COUNTRIES": (CANADA),
FRANCE, GERMANY, ITALY, JAPAN, UNITED KING-
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DOM, UNITED STATES

B) "INVITED COUNTRIES": OTHER COUNTRIES WILL
BE APPROACHED BILATERALLY TO APPLY THE CON-
SENSUS.

3. AUTHORITIES APPLYING THE CONSENSUS:

ALL OFFICIALLY SUPPORTED EXPORT CREDIT AND DE-
VELOPMENT ASSISTANCE INSTITUTIONS.

4. THE CONSENSUS WILL APPLY IMMEDIATELY TO "NEW
BUSINESS" AND AFTER TRANSITIONAL PERIOD OF THREE UP TO

5. EACH "RESPONSIBLE AUTHORITY" WILL INFORM IN A
CONVENIENT MANNER OTHER INTERESTED COUNTRIES' AUTHORITIES
OF ITS DECISION TO APPLY THE CONSENSUS.

THE EVENTUAL PUBLIC DECLARATIONS OF EACH RESPON-
SIBLE AUTHORITY WILL NOT REFER TO AN "INTERNATIONAL
AGREEMENT" OR "UNDERSTANDING", EVEN INFORMAL. "CON-
SENSUS" MAY BE USED.

6. AMENDMENTS; BY THE WAY OF EXCHANGE OF VIEWS LEAD-
TO A CONSENSUS.

7. WITHDRAWAL: AFTER PRIOR NOTICE OF OTHER "INTER-
ESTED COUNTRIES".

8. APPLICATION OF THE CONSENSUS FOR A TEMPORARY EX-
PERIMENTAL PERIOD. FIRST APPRECIATION OF THE RESULTS AT
THE BEGINNING OF THE SECOND HALF OF 1977.

NOTE: FRENCH SAY "OTHER BUSINESS" MEANS EXISTING COMMIT-
MENTS. END IV.

END TEXT ARMSTRONG

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TEXT, AGREEMENT DRAFT, EXPORTS, CREDIT
Control Number: n/a
Copy: SINGLE
Draft Date: 17 MAR 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: BoyleJA
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760100-0779
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Handling Restrictions: n/a
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ISecure: 1
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Original Handling Restrictions: n/a
Original Previous Classification: n/a
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Previous Handling Restrictions: n/a
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Review Content Flags:
Review Date: 23 APR 2004
Review Event:
Review Exemptions: n/a
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Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

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Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
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TAGS: EFIN, ETRD, UK, FR
To: STATE
Type: TE
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